

# Rural Economic Development Incentive (REDI)

## Application Information and Instructions

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The Rural Economic Development Incentive (REDI) program is designed for businesses creating new high paying jobs in counties of the fourth, fifth or sixth class (populations of less than 31,000). These jobs can be remote, in a satellite hub /office, or physically located in the same county as the business. This grant is post-performance.

### WHO IS ELIGIBLE?

- Sole proprietorship, partnership, association, joint venture corporation, firm, trust, foundation, or other organization or entity used in carrying on a business.
- Does NOT include a business primarily engaged in:
  - construction
  - staffing
  - retail trade
  - public utility activities

### THE PROGRAM

Business entities that create new, full-time position(s) filled by rural employee(s) will receive a grant incentive based on the county's average annual wage. The company shall hire an employee:

- working at least 30 hours per week
- for a period of at least 12 consecutive months
- with an annual gross wage, not including benefits, of at least 125% of the county average wage
- who is not an immediate family member (spouse, child, parent, sibling, grandparent, or grandchild) of an owner or officer of the business entity; owner or officer includes:
  - a member of a board of directors or other governing body of an entity
  - a partner in any type of partnership

### INCENTIVE FUNDING TIERS

Subject to available funds, REDI grants are awarded to a business entity as follows:

- \$4,000 for each new full-time employee position in a county where the average county wage is equal to or greater than the state average wage;
- \$5,000 for each new full-time employee position in a county where the average county wage is between 85% and 99% of the state average wage; and
- \$6,000 for each new full-time employee position in a county where the average county wage is less than 85% of the state average wage (see REDI Grant Levels table below).

A business entity may qualify for no more than \$25,000 in rural employment expansion grant allocations in any fiscal year.

## APPLICATION PROCESS

A business entity seeking to receive a rural employment expansion grant must first apply and receive approval for participation in the program. To affirm program participation, the business entity must enter a written agreement with GOED prior to the creation of any incentivized, new full-time employment positions.

### ONLINE SUBMISSION

Please submit the **Rural Economic Development Incentive (REDI) Grant** applications by visiting the GOED website [business.utah.gov/rural](https://business.utah.gov/rural).

- Scroll down to the **REDI** tab and open the **REDI Application** link.
- Fill in all the required fields
- Upload supporting documents

### APPLICATION COMPONENTS

- Name of applying business
- Date submitted
- Full mailing address
- Key organizational contact(s) email addresses and telephone numbers of responsible contact(s) (more than one is preferred)
- Primary NAICS codes of the business entity
- Proposing organization Utah State Tax ID Name and Tax ID of Fiscal Agent (if other than applying entity)
- Projected number of new full-time employee positions that the business entity plans to create
- Anticipated wage level of the new full-time employee positions
- Anticipated location of new hire
- Documentation\* which establishes the baseline of current employees which is the highest baseline count of employment positions that existed within a business entity during the previous taxable year
  - \* two most recent unemployment insurance quarterly reports
- Upload current W-9 of applying entity
- Certification, by an officer of the business entity, of signature on the application

## AWARD PROCESS

### APPROVAL

If after review and approval of an application authorizing a rural employment expansion grant and until grant funds are exhausted, GOED shall enter into a written agreement with the business entity that:

- indicates the maximum rural employment expansion grant amount the business entity is authorized to receive
- includes a signature by an officer of the business entity to disclose tax return and/or other related information that would otherwise be subject to confidentiality under Section 59-1-403 or Section 6103, Internal Revenue Code
- specifies documentation required to demonstrate that the business entity has created the new full-time employee position(s)
- specifies the deadlines to provide the documentation

**Funds will not be allocated until both parties sign the written agreement.**

### TIMELINE

From the initial date of entering into a written agreement, the applying business entity shall have six months to hire the forecasted employees for the new full-time position(s). If no positions are filled, a new application will need to be submitted. The required 12-month consecutive employment period shall begin on the first day of employment of each employee filling the new position(s). If the position is vacated within the 12-month period, 15 business days will be allowed to fill the vacancy and the consecutive month calendar will resume given documentation is provided to verify all.

### DENIAL

The GOED Compliance Department will identify key elements from each application to determine eligibility. If, after review, the GOED Compliance Department determines that the application is inadequate to provide a reasonable justification for authorizing the rural employment expansion grant, GOED will either:

- deny the application;  
OR
- inform the business entity that the application is inadequate and ask the business entity to submit additional documentation.

The business entity may appeal the denial to the GOED Compliance Department. The office shall review any appeal within 10 business days and make a final determination of the business entity's eligibility for a grant.

## AWARD DOCUMENTATION

Subject to available funds, the GOED Office shall award a business entity a grant in the amount allowed under the incentive funding tiers. To request the incentive, the business entity must provide the following within 90 days of completing the eligible employment period for all new full-time employment positions:

- Documentation demonstrating that the business applicant has created (a) new full-time employee position(s) as defined previously and including:
  - Copies of employee pay stubs at 6-month, year-end, and last pay period following completion of the consecutive 12-month employment
  - Each employee's work address if location is different from address of pay stub
  - One or more reports that show each employee on at least one unemployment insurance quarterly report;
  - unemployment insurance quarterly report for the last quarter of the eligible employment period

If the business entity does not provide the documentation before the 90-day deadline, the business entity is ineligible to receive a rural employment expansion grant, unless the business entity submits a new application. The original agreement will be terminated.

## CONSTRAINTS

- The Business must remain current on all Unemployment Insurance payments, state and federal taxes and have a valid business license issued by the municipality in which their business is located.
- The Business may only receive reimbursement for the number of positions that have been approved by GOED for reimbursement.
- GOED reserves the right to monitor payroll and other documentation to verify record retention required by the REDI program.
- The Business cannot eliminate existing positions to make way for a new position. New positions need to exceed the baseline count.
- New positions that qualify to receive reimbursement for the REDI Program are not eligible to be counted as eligible positions for the Rural Fast Track and/or the Enterprise Zone programs.

## REDI Grant Levels • 2019

4 <sup>th</sup> , 5 <sup>th</sup> , 6 <sup>th</sup> CLASS COUNTIES (<31,000 population)	COUNTY AVG WAGE	125% COUNTY AVG WAGE	STATE OF UTAH AVG WAGE	% STATE AVG WAGE	POTENTIAL JOB INCENTIVE
Beaver	\$ 34,613	\$ 43,266	\$ 45,727	76	\$ 6,000
Carbon	\$ 38,530	\$ 48,163	\$ 45,727	84	\$ 6,000
Daggett	\$ 34,125	\$ 42,656	\$ 45,727	75	\$ 6,000
Duchesne	\$ 44,856	\$ 56,070	\$ 45,727	98	\$ 5,000
Emery	\$ 43,127	\$ 53,909	\$ 45,727	94	\$ 5,000
Garfield	\$ 30,379	\$ 37,974	\$ 45,727	66	\$ 6,000
Grand	\$ 32,322	\$ 40,403	\$ 45,727	71	\$ 6,000
Juab	\$ 34,102	\$ 42,628	\$ 45,727	75	\$ 6,000
Kane	\$ 32,613	\$ 40,766	\$ 45,727	71	\$ 6,000
Millard	\$ 40,133	\$ 50,166	\$ 45,727	88	\$ 5,000
Morgan	\$ 39,047	\$ 48,809	\$ 45,727	85	\$ 5,000
Piute	\$ 27,688	\$ 34,610	\$ 45,727	61	\$ 6,000
Rich	\$ 26,153	\$ 32,691	\$ 45,727	57	\$ 6,000
San Juan	\$ 35,078	\$ 43,848	\$ 45,727	77	\$ 6,000
Sanpete	\$ 29,192	\$ 36,490	\$ 45,727	64	\$ 6,000
Sevier	\$ 35,182	\$ 43,978	\$ 45,727	77	\$ 6,000
Wasatch	\$ 38,033	\$ 47,541	\$ 45,727	83	\$ 6,000
Wayne	\$ 30,201	\$ 37,751	\$ 45,727	66	\$ 6,000

To apply: [www.business.utah.gov/rural](http://www.business.utah.gov/rural) REDI

For more information about the Rural Economic Development Incentive (REDI) Grant please contact  
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